

GOODAR TOWNSHIP  
COUNTY OF OGEMAW, MICHIGAN  
FINANCIAL STATEMENTS  
MARCH 31, 2004

# Auditing Procedures Report

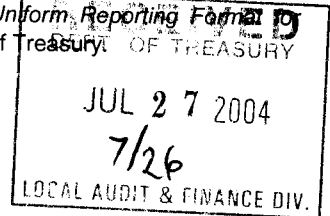
Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>Goodar Township</b>	County <b>Ogemaw</b>
Audit Date <b>3/31/04</b>	Opinion Date <b>6/23/04</b>	Date Accountant Report Submitted to State: <b>7/26/04</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.



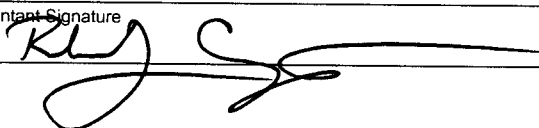
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

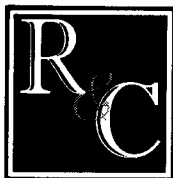
**We have enclosed the following:**

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>Robertson &amp; Carpenter CPA's LLP</b>			
Street Address <b>P.O. Box 308</b>	City <b>Mio</b>	State <b>MI</b>	ZIP <b>48647</b>
Accountant Signature 			Date <b>7/24/04</b>

## CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
GENERAL PURPOSE FINANCIAL STATEMENTS:	
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS	2
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES	3
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUND TYPES	4
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN RETAINED EARNINGS - PENSION TRUST FUND	5
NOTES TO FINANCIAL STATEMENTS	6-13
SUPPLEMENTAL INFORMATION:	
DETAIL OF REVENUES - BUDGET AND ACTUAL - GENERAL FUND	14
DETAIL OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND	15-17
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND	18



Robert J. Carpenter, CPA  
Rodney C. Robertson, CPA

## ROBERTSON & CARPENTER, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P.O. Box 308 • 109 E. Tenth St. • Mio, Michigan 48647

Phone (989) 826-5442 • Fax (989) 826-3038

Other office: Rose City, Michigan

### INDEPENDENT AUDITOR'S REPORT

June 23, 2004

Goodar Township Board  
Ogemaw County  
South Branch, MI 48761

We have audited the accompanying general purpose financial statements of Goodar Township Ogemaw County, Michigan as of March 31, 2004 and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of Goodar Township, Ogemaw County, Michigan, as of March 31, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Township. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Robertson & Carpenter, LLP*

GOODAR TOWNSHIP  
COMBINED BALANCE SHEET  
ALL FUND TYPES AND ACCOUNT GROUPS  
MARCH 31, 2004

	GOVERNMENTAL FUND TYPES	
	GENERAL	SPECIAL REVENUE
<b>ASSETS</b>		
Petty cash	\$ 150	\$ -
Cash - checking	223	51,617
Cash - savings	3,868	34,941
Investments	-	-
Accounts receivable	-	-
Due from other funds	25,979	29,441
Due from County	7,532	-
Due from State of Michigan	4,473	-
Land and improvements	-	-
Buildings	-	-
Equipment	-	-
Amount to be provided for retirement of long term debt	-	-
Total assets	\$ <u>42,225</u>	\$ <u>115,999</u>
<b>LIABILITIES AND FUND EQUITY</b>		
Liabilities:		
Accounts payable	\$ 840	\$ -
Due to other funds	-	3,874
Deferred revenue - Federal Grant	-	77,940
Installment loan payable	-	-
Total liabilities	<u>840</u>	<u>81,814</u>
Fund equities:		
Investment in general fixed assets	-	-
Reserved for retirement benefits	-	-
Fund balance unreserved	<u>41,385</u>	<u>34,185</u>
Total fund equity	<u>41,385</u>	<u>34,185</u>
Total liabilities and fund equity	\$ <u>42,225</u>	\$ <u>115,999</u>

See accompanying notes

FIDUCIARY FUND TYPES		ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
PENSION TRUST	CURRENT TAX	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
\$ -	\$ -	\$ -	\$ -	\$ 150
-	51,513	-	-	103,353
-	33	-	-	38,842
9,074	-	-	-	9,074
-	-	-	-	-
-	-	-	-	55,420
-	-	-	-	7,532
-	-	-	-	4,473
-	-	11,607	-	11,607
-	-	90,264	-	90,264
-	-	136,376	-	136,376
-	-	-	69,298	69,298
<u>\$ 9,074</u>	<u>\$ 51,546</u>	<u>\$ 238,247</u>	<u>\$ 69,298</u>	<u>\$ 526,389</u>
\$ -	\$ -	\$ -	\$ -	\$ 840
-	51,546	-	-	55,420
-	-	-	-	77,940
-	-	-	69,298	69,298
-	51,546	-	69,298	203,498
-	-	238,247	-	238,247
9,074	-	-	-	9,074
-	-	-	-	75,570
<u>9,074</u>	<u>-</u>	<u>238,247</u>	<u>-</u>	<u>322,891</u>
<u>\$ 9,074</u>	<u>\$ 51,546</u>	<u>\$ 238,247</u>	<u>\$ 69,298</u>	<u>\$ 526,389</u>

GOODAR TOWNSHIP  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED MARCH 31, 2004

	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	TOTAL (MEMORANDUM ONLY)
REVENUES:			
Taxes	\$ 30,700	\$ 29,441	\$ 60,141
Federal grants	5,090	-	5,090
State grants	33,768	-	33,768
Charges for services	7,195	11,815	19,010
Interest & rentals	2,256	144	2,400
Other revenue	3,331	14,981	18,312
Total revenues	82,340	56,381	138,721
EXPENDITURES:			
Current:			
Legislative	26,265	-	26,265
General government	47,081	-	47,081
Public safety	-	25,992	25,992
Public works	17,353	-	17,353
Recreation & culture	272	-	272
Capital outlay	4,384	468	4,852
Debt service	11,094	-	11,094
Total expenditures	106,449	26,460	132,909
Excess (Deficiency) of revenues over expenditures	(24,109)	29,921	5,812
OTHER FINANCING SOURCES (USES):			
Operating transfers in (out)	21,040	(21,040)	-
Excess (Deficiency) of revenues and other financing sources over expenditures	(3,069)	8,881	5,812
FUND BALANCE - APRIL 1, 2003	44,454	25,304	69,758
FUND BALANCE - MARCH 31, 2004	\$ 41,385	\$ 34,185	\$ 75,570

See accompanying notes

GOODAR TOWNSHIP  
COMBINED STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL AND SPECIAL REVENUE FUND TYPES  
FOR THE YEAR ENDED MARCH 31, 2004

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:			
Taxes	\$ 32,093	\$ 30,700	\$ (1,393)
Federal grants	7,200	5,090	(2,110)
State grants	32,451	33,768	1,317
Charges for services	7,174	7,195	21
Interest and rentals	1,400	2,256	856
Other revenue	1,000	3,331	2,331
Total revenues	81,318	82,340	1,022
EXPENDITURES:			
Current:			
Legislative	17,550	26,265	(8,715)
General government	53,573	47,081	6,492
Public safety	-	-	-
Public works	15,695	17,353	(1,658)
Recreation & culture	470	272	198
Capital outlay	5,000	4,384	616
Debt service	12,000	11,094	906
Total expenditures	104,288	106,449	(2,161)
Excess (Deficiency) of revenues over expenditures	(22,970)	(24,109)	(1,139)
OTHER FINANCING SOURCES (USES):			
Operating transfers in (out)	4,000	21,040	17,040
Excess (Deficiency) of revenues and other financing sources over expenditures	(18,970)	(3,069)	15,901
FUND BALANCE - APRIL 1, 2003	46,346	44,454	(1,892)
FUND BALANCE - MARCH 31, 2004	\$ 27,376	\$ 41,385	\$ 14,009

See accompanying notes



SPECIAL REVENUE FUNDS

<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
\$ 31,053	\$ 29,441	\$ (1,612)
77,940	-	(77,940)
-	-	-
11,575	11,815	240
150	144	(6)
3,400	14,981	11,581
<u>124,118</u>	<u>56,381</u>	<u>(67,737)</u>
-	-	-
-	-	-
29,074	25,992	3,082
-	-	-
-	-	-
86,600	468	86,132
-	-	-
<u>115,674</u>	<u>26,460</u>	<u>89,214</u>
8,444	29,921	21,477
<u>(4,000)</u>	<u>(21,040)</u>	<u>17,040</u>
4,444	8,881	38,517
<u>24,818</u>	<u>25,304</u>	<u>486</u>
\$ <u><u>29,262</u></u>	\$ <u><u>34,185</u></u>	\$ <u><u>39,003</u></u>

GOODAR TOWNSHIP  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
RETAINED EARNINGS PENSION TRUST FUND  
FOR THE YEAR ENDED MARCH 31, 2004

REVENUES

Employer contributions	\$	565
Employee contributions		599
Investment earnings		<u>434</u>
Total revenues	\$	<u>1,598</u>

EXPENDITURES

Administrative		175
Payments to plan participants		<u>4,896</u>
Total expenditures		<u>5,071</u>

EXCESS OF REVENUES OVER EXPENDITURES	(3,473)
--------------------------------------	---------

RETAINED EARNINGS - APRIL 1, 2003	<u>12,547</u>
-----------------------------------	---------------

RETAINED EARNINGS - MARCH 31, 2004	<u><u>\$ 9,074</u></u>
------------------------------------	------------------------

See accompanying notes

GOODAR TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Township Operations and Fund Types

Goodar Township is located in Ogemaw County. The Township operates under an elected Township Board composed of a Supervisor, Clerk, Treasurer and two Trustees, and provides services to its residents in the area of fire protection, cemetery, sanitation and other general government areas.

REPORTING ENTITY

The Township's combined financial statements include the accounts of all Township operations. The criteria for including organizations as component units within the Township's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Township holds the corporate powers of the organization
- the Township appoints a voting majority of the organization's board
- the Township is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Township
- there is a fiscal dependency by the organization on the Township

Based on the aforementioned criteria, the Township of Goodar has no component units.

BASIS OF PRESENTATION

The accounts of the government are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds.

The financial activities of the Goodar Township are recorded in separate funds and account groups, categorized and described as follows:

GOODAR TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

GOVERNMENTAL FUNDS

General Fund - This fund is used to account for all financial resources except those provided for in another fund. Revenues are primarily derived from property taxes, State and Federal aid, and charges for services to provide for the administration and operation of the general Township governmental departments. The fund includes the general operating expenditures of the local unit.

Special Revenue Funds - These funds are used to account for specific revenue (other than expendable trusts or major capital projects) derived from State and Federal grants, General Fund appropriations and charges for services which are to be expended for specific purposes as dictated by legal, regulatory or administrative requirements, and include the Fire Fund.

FIDUCIARY FUNDS

Trust and Agency Funds - These funds account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include Agency Funds, composed of the Current Tax Collection Fund and the Pension Trust Fund.

ACCOUNT GROUPS

General Fixed Asset Account Group - This Account Group presents the fixed assets of the local unit utilized in its general operations (nonproprietary fixed assets).

Fixed assets used in the general operation of the Goodar Township are recorded as expenditures when purchased and are accounted for in the General Fixed Assets Account Group. No depreciation is recorded for these general fixed assets. Infrastructure assets, including roads, bridges, drains, curbs, and gutters are not capitalized.

General Long-Term Debt Account Group - This Account Group presents the balance of general obligation long-term debt which is not recorded in proprietary or trust funds.

B. Basis of Accounting

The modified accrual basis of accounting is used by all Governmental Funds and Agency Funds. Revenue and other sources are recognized in the accounting period in which they become susceptible to accrual-that is when they become both measurable and available to finance expenditures of the fiscal period. Expenditures are recognized when the related liability is incurred. Modifications from the accrual basis are as follows.

GOODAR TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

- a. Properties are assessed and lienied as of December 31 and their related property taxes are billed on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county delinquent tax rolls.
- b. Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- c. Normally, expenditures are not divided between years by the recording of prepaid expenses.

C. Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at year end.

The Township Clerk prepares the budget which is then reviewed the the Township Board. The budget is adopted prior to the beginning of the fiscal year. When necessary, the budget is amended.

Budget amounts are as originally adopted, or as amended by the Township Board.

P.A. 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures have been shown on a functional basis. The approved budgets of the Township for these budgetary funds were adopted to the activity level.

During the year ended March 31, 2004, the Township incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated, as follows:

<u>Fund and Activity</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Excess</u>
General Fund:			
Legislative	\$ 17,550	\$ 26,265	\$ 8,715
General Government:			
Clerk	8,695	8,720	25
Public Works:			
Roads	6,000	8,163	2,163

GOODAR TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

D. Risk Management

Goodar Township is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by insurance purchased from independent insurance companies. Settled claims from these risks have not exceeded insurance coverage for the last 3 fiscal years.

E. Use of Estimates in Preparation of Financial Statements

The preparation of financial statements on conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

F. Total Columns on Combined Statements - Overview

The total column on the Combined Statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to consolidation, because interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - CHANGES IN GENERAL FIXED ASSETS

Changes in general fixed assets for the year ended March 31, 2004 were as follows:

	04/01/03	Additions	Disposals	03/31/04
Land & Improvements	\$ 11,607	\$ -	\$ -	\$ 11,607
Buildings	90,264	-	-	90,264
Equipment	131,524	4,852		136,376
	<u>\$ 233,395</u>	<u>\$ 4,852</u>	<u>\$ -</u>	<u>\$ 238,247</u>

- GOODAR TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

The amount of interfund receivables and payables are as follows:

	Interfund Receivable		Interfund Payable
General Fund	\$ 25,979	Special Revenue Fund	\$ 3,874
Special Revenue Fund	29,441	Current Tax Collection Fund	51,546
	<u>\$ 55,420</u>		<u>\$ 55,420</u>

NOTE 4 - PROPERTY TAXES

Property taxes are assessed and liened December 31st with a levy date of the following December 1st. Collection dates are December 1st through February 14th, after which the taxes are deemed to be delinquent. Taxes are recorded as revenue when they become available and measurable.

The 2003 tax levy was 1.2153 mills for the General Fund and 1.4839 mills for the Special Revenue Fund (Fire Fund). The taxable value of the 2003 levy was \$19,831,687.

NOTE 5 - DUE FROM COUNTY

Ogemaw County operates a tax revolving fund whereby the County purchases the delinquent real taxes from the Township. Since the amount is readily measurable, it has been recognized as revenue for the year ended March 31, 2004. The amount due from the County as of March 31, 2004 in the General Fund was \$7,532 which consisted of \$6,841 in taxes and \$691 of property tax administration fee. The taxes of \$6,841 include \$657 due to the Library.

NOTE 6 - PENSION PLAN

Goodar Township provides pension benefits for the Township Board through a defined contribution plan. The plan is administered by Municipal Retirement Systems Inc. which invests the Township's contributions with Travelers Insurance Company. The investments consist of individual retirement annuities and totaled \$9,074 as of March 31, 2004.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to such participant's account.

GOODAR TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

NOTE 6 - PENSION PLAN (Continued)

The plan requires the Township to contribute 5.0% of the participant's earnings and requires the participant to contribute a matching 5.0%. The Township's contributions for each participant are fully vested when paid to the plan. A participant that leaves the employment of the Township is entitled to the balance in his individual annuity account.

The Township's total payroll for the year ended March 31, 2004 was approximately \$32,002. The payroll of the eligible participants was \$11,980; the Township made the required contribution of \$599. The administrative fee of \$175 was paid in addition to the required contribution.

No pension provision changes occurred during the year affected the required contributions to be made by the Township.

The plan held no securities of the Township or other related parties during the year or as of the close of the fiscal year.

NOTE 7 - CASH DEPOSITS AND INVESTMENTS

Deposits are carried at cost. Deposits are in one financial institution in the name of the Goodar Township Treasurer. Michigan Compiled Laws, Section 129.91, as amended, authorizes the Township to deposit and invest in the accounts of a state or nationally chartered bank, a state or federally chartered savings and loan association, a savings bank, or a credit union whose deposits are insured by an agency of the U.S. government and which maintains a principal office or branch office in this state under the law of this state or the United States; bonds, securities, and other obligations of the United States, or an agency or instrumentality of the United States in which the principal and interest is fully guaranteed by the United States, including securities issued or guaranteed by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements; bankers' acceptance of United States banks; mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan; and commercial paper rated by two standard rating agencies within the three highest classifications, which mature not more than 270 days after the date of purchase and which involve no more than 50 percent of any one fund. The Township's deposits are in accordance with statutory authority.

The Governmental Accounting Standards Board (GASB) Statement No. 3 risk disclosure for deposits at year end are as follows:

<u>DEPOSITS</u>	<u>CARRYING AMOUNT</u>	<u>BANK BALANCE</u>
Insured (FDIC)	\$ 100,000	\$ 100,000
Uninsured	42,195	43,240
	<u>\$ 142,195</u>	<u>\$ 143,240</u>



GOODAR TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

NOTE 7 - CASH DEPOSITS AND INVESTMENTS (Continued)

In accordance with GASB Statement 3, investments are classified into three categories of credit risk as follows:

- Category 1: Insured or collateralized with securities held by the Township or its agent in the Township's name.
- Category 2: Collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.
- Category 3: Uncollateralized (includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent, but not in the Township's name).

The Township did not have any investments to be classified as to risk at year end.

	CATEGORY			CARRYING AMOUNT	MARKET VALUE
	1	2	3		
Investment held by:					
None	\$ -	\$ -	\$ -	\$ -	\$ -
Investments not subject to categorization:					
Pension Trust Fund - Individual Annuities held by Travelers Insurance Co.				\$ 9,074	\$ 9,074

NOTE 8 - LONG TERM DEBT

The general obligation long term debt consists of the following item:

<u>Description</u>	<u>Purpose</u>	<u>Original Amount Payment Terms</u>	<u>Interest Rate</u>	<u>Balance Due 03/31/04</u>
Installment loan	Purchase of fire tanker	\$82,231 Annual payments (10) of \$11,094 commencing December 20, 2002	5.85%	\$ 69,298

Changes in long term debt during the year ended March 31, 2004 are as follows:

	<u>Installment loan</u>
Balance - April 1, 2003	\$ 75,948
New borrowing	-
Principal paid	(6,650)
Balance - March 31, 2004	\$ 69,298

GOODAR TOWNSHIP  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

NOTE 8 - LONG TERM DEBT (Continued)

Total debt payments due in future years are shown below:

<u>Year ended</u>	<u>Installment Loan</u>
March 31, 2005	\$ 11,094
March 31, 2006	11,094
March 31, 2007	11,094
March 31, 2008	11,094
March 31, 2009	11,094
Thereafter	<u>33,279</u>
	88,749
Less: Interest	<u>(19,451)</u>
Present value of payments	<u>\$ 69,298</u>

GOODAR TOWNSHIP  
GENERAL FUND  
DETAIL OF REVENUES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2004

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
TAXES:			
Property taxes	\$ -	\$ 24,046	\$ -
Property tax administration fee	-	6,654	-
TOTAL TAXES	32,093	30,700	(1,393)
FEDERAL GRANTS:			
Payments in lieu	7,200	5,090	(2,110)
STATE GRANTS:			
State shared revenue	-	33,317	-
Swamp tax	-	451	-
TOTAL STATE GRANTS	32,451	33,768	1,317
CHARGES FOR SERVICES:			
Burials	-	3,204	-
Dog license fees	-	73	-
Transfer site fees	-	2,618	-
Cemetery lots	-	1,300	-
TOTAL CHARGES FOR SERVICES	7,174	7,195	21
INTEREST AND RENTALS:			
Interest	-	2,056	-
Hall rent	-	200	-
TOTAL INTEREST AND RENTALS	1,400	2,256	856
OTHER REVENUE			
Miscellaneous	1,000	3,331	2,331
OTHER FINANCING SOURCES			
Operating transfers in	4,000	21,040	17,040
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 85,318	\$ 103,380	\$ 18,062

GOODAR TOWNSHIP  
GENERAL FUND  
DETAIL OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
LEGISLATIVE:			
Township Board:			
Trustees salaries		\$ 2,425	
Memberships & dues		391	
Printing & publishing		192	
Travel		1,191	
Legal & accounting		365	
Miscellaneous		24	
Insurance		16,406	
Retirement expense		437	
Payroll taxes		1,246	
Education		653	
Supplies		138	
Telephone		-	
Services		2,797	
		<u>2,797</u>	
TOTAL LEGISLATIVE	\$ <u>17,550</u>	<u>26,265</u>	\$ <u>(8,715)</u>
GENERAL GOVERNMENT:			
Supervisor:			
Salary		4,147	
Travel		216	
		<u>216</u>	
Total	<u>6,800</u>	<u>4,363</u>	<u>2,437</u>
Assessor:			
Contracted services		6,127	
Supplies		-	
Postage		-	
Mileage		-	
Telephone		-	
		<u>-</u>	
Total	<u>6,810</u>	<u>6,127</u>	<u>683</u>
Elections:			
Salaries		616	
Supplies		54	
Printing & publishing		395	
Miscellaneous		63	
		<u>63</u>	
Total	<u>1,790</u>	<u>1,128</u>	<u>662</u>

GOODAR TOWNSHIP  
GENERAL FUND  
DETAIL OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
GENERAL GOVERNMENT (Continued)			
Clerk:			
Salary - clerk		\$ 6,655	
Office supplies		35	
Postage		91	
Legal & accounting		-	
Travel & education		1,179	
Services		700	
Telephone		-	
Miscellaneous		60	
	<u>          </u>	<u>          </u>	<u>          </u>
Total	\$ 8,695	8,720	\$ (25)
Board of Review:			
Salaries		1,015	
Printing, publishing & supplies		60	
Miscellaneous		-	
Travel & education		336	
	<u>          </u>	<u>          </u>	<u>          </u>
Total	1,970	1,411	559
Treasurer:			
Salary - treasurer		9,135	
Office supplies		11	
Postage		576	
Services		50	
Telephone		10	
Travel & education		1,446	
	<u>          </u>	<u>          </u>	<u>          </u>
Total	11,318	11,228	90
Township Hall:			
Custodian		567	
Contracted services		-	
Repairs & maintenance		848	
Utilities		5,956	
Miscellaneous		463	
Supplies		274	
	<u>          </u>	<u>          </u>	<u>          </u>
Total	9,900	8,108	1,792

GOODAR TOWNSHIP  
GENERAL FUND  
DETAIL OF EXPENDITURES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
GENERAL GOVERNMENT (Continued)			
Cemetery:			
Salary - sexton		\$ 5,362	
Travel		8	
Supplies		10	
Repairs & maintenance		400	
Miscellaneous		216	
		<u>          </u>	
Total	\$ 6,290	5,996	\$ 294
TOTAL GENERAL GOVERNMENT	<u>53,573</u>	<u>47,081</u>	<u>6,492</u>
PUBLIC WORKS:			
Roads	<u>6,000</u>	<u>8,163</u>	<u>(2,163)</u>
Street Lighting	<u>1,500</u>	<u>1,165</u>	<u>335</u>
Sanitation:			
Salary		1,866	
Contracted services		4,857	
Plowing & mowing		455	
Lease		820	
Miscellaneous		27	
		<u>          </u>	
Total Sanitation	<u>8,195</u>	<u>8,025</u>	<u>170</u>
TOTAL PUBLIC WORKS	<u>15,695</u>	<u>17,353</u>	<u>(1,658)</u>
RECREATION AND CULTURE:			
Library:			
Salary		175	
Travel		97	
		<u>          </u>	
TOTAL RECREATION & CULTURE	<u>470</u>	<u>272</u>	<u>198</u>
CAPITAL OUTLAY	5,000	4,384	616
DEBT SERVICE	<u>12,000</u>	<u>11,094</u>	<u>906</u>
TOTAL EXPENDITURES	\$ <u>104,288</u>	\$ <u>106,449</u>	\$ <u>(2,161)</u>

GOODAR TOWNSHIP  
STATEMENT OF CHANGES IN  
ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED MARCH 31, 2004

CURRENT TAX COLLECTION FUND				
	<u>04/01/03</u>	<u>Additions</u>	<u>Deductions</u>	<u>03/31/04</u>
ASSETS:				
Cash	\$ <u>47,863</u>	\$ <u>602,961</u>	\$ <u>599,278</u>	\$ <u>51,546</u>
LIABILITIES:				
Due to other funds	\$ 47,863	\$ 53,697	\$ 50,014	\$ 51,546
Due to County	-	234,000	234,000	-
Due to Library	-	5,031	5,031	-
Due to Schools	-	310,200	310,200	-
Overpayments	-	33	33	-
Total liabilities	\$ <u>47,863</u>	\$ <u>602,961</u>	\$ <u>599,278</u>	\$ <u>51,546</u>